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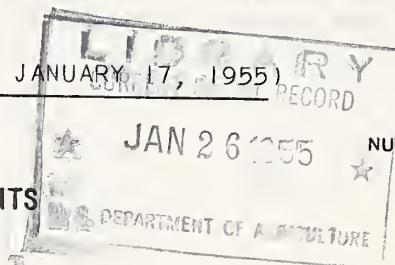


# Foreign CROPS AND MARKETS

(FOR RELEASE MONDAY, JANUARY 17, 1955)

VOLUME 70

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L A T E   N E W S

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Asked on December 16, 1954 whether present potato stocks in the United Kingdom would meet market requirements until the new crop was ready for lifting, Dr. Hill, Parliamentary Secretary to the Ministry of Food, said "that was the present estimate, but as a small part of the crop was still in waterlogged ground and the keeping quality of some other stocks doubtful, the possibility of some temporary and local shortages towards the end of the season could not be excluded".

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FOREIGN CROPS AND MARKETS

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PORTUGAL ALMOND  
CROP HIGHER

The latest information reveals that Portugal's 1954 almond crop is larger than previous estimates. The current estimate for the 1954 production is 5,900 short tons as compared with the revised figure of 6,600 tons in 1953, which is the highest on record. As a December 1, 1954 total stocks were 3,300 tons.

Exports of shelled almonds during the first 11 months of 1954 totaled 6,100 short tons as compared with 7,000 tons for the full year of 1953. The principal buyers have been the United Kingdom, 3,100 tons; Belgium, 718 tons; France, 700 tons; Sweden 520 tons; and Germany 320 tons. Exports of unshelled almonds for the same periods were 1,100 tons in 1954 and 913 tons for 1953. France, Brazil and the United Kingdom were the principal buyers.

Prices as of December 1, 1954 to exporters or wholesalers were quoted at 43 cents per pound for shelled, as compared with 33 cents per pound in 1953. This increase in price is due primarily to increased demand and the smaller 1954 world production. Latest prices quoted to foreign buyers are 54 to 56 cents per pound, c.i.f. European ports.

## WORLD LENTIL PRODUCTION 1954

Preliminary estimates of lentil production in 11 reporting countries totaled 8 million bags in 1954, or about the same as in 1953. These 11 countries include most of the lentil production in the Americas, Europe, the Middle East, and Pakistan. Excluded for lack of data is the production of India, Iraq, all of North Africa except Egypt, and several large producers in Asia and Eastern Europe.

The lentil production reported includes most of the lentils which enter international commerce, the non-reporters being mostly among the non-traders. Several of the reporting countries reported increased production in 1954, ranging up to 27 percent above 1953. Egypt, usually a sizable exporter, produced 27 percent more in 1954 than in 1953. Syria, a moderate exporter, reported 24 percent more than in 1953, and Chile and Argentina, both large exporters, reported 18 percent larger production in 1954.

The most significant decreases in production were reported by Turkey, one of the world's larger exporters of lentils, and by Pakistan, a non-trader for the most part. Turkey reported 10 percent less production, and Pakistan 23 percent less than in 1953.

Among the large importers of lentils, only France reported a significant increase in production. The 1954 crop in that country was 40 percent above 1953, but totaled less than 300,000 bags.



LENTILS: Production in specified countries,  
averages 1935-39 and 1945-49,  
annual 1953 and 1954

(100-pound bags)

| Continent and country                    | Averages    |             | Annual      |             |
|--|-------------|-------------|-------------|-------------|
|  | 1935-39     | 1945-49     | 1953        | 1954 1/     |
|  | 1,000       | 1,000       | 1,000       | 1,000       |
|  | <u>bags</u> | <u>bags</u> | <u>bags</u> | <u>bags</u> |
| <u>AMERICAS</u>                          |             |             |             |             |
| Mexico.....                              | 22          | 39          | 55          | 57          |
| Argentina.....                           | 265         | 505         | 639         | 751         |
| Chile.....                               | 585         | 327         | 338         | 396         |
| Total.....                               | 872         | 871         | 1,032       | 1,204       |
| <u>EUROPE</u>                            |             |             |             |             |
| France.....                              | 207         | 227         | 203         | 291         |
| Greece.....                              | 126         | 113         | 198         | 216         |
| Italy.....                               | 269         | 228         | 382         | 390         |
| Spain.....                               | 322         | 507         | 322         | 397         |
|  | 924         | 1,075       | 1,105       | 1,294       |
| <u>MIDDLE EAST</u>                       |             |             |             |             |
| Egypt.....                               | 1,211       | 1,077       | 1,043       | 1,323       |
| Lebanon.....                             | 25          | 45          | 46          | 40          |
| Syria.....                               | 779         | 741         | 463         | 573         |
| Turkey.....                              | 502         | 671         | 1,565       | 1,411       |
| Total.....                               | 2,517       | 2,534       | 3,117       | 3,347       |
| <u>FAR EAST</u>                          |             |             |             |             |
| Pakistan.....                            | -           | 2,550       | 2,883       | 2,205       |
| <u>TOTAL 11 COUNTRIES.....</u>           | -           | 7,030       | 8,137       | 8,050       |
| <u>COUNTRIES NOT REPORTING CURRENTLY</u> |             |             |             |             |
| Algeria.....                             | 19          | 169         | 220         | -           |
| French Morocco.....                      | 92          | 85          | 165         | -           |
| Spanish Morocco.....                     | 6           | 8           | 20          | -           |
| Tunisia.....                             | 9           | 14          | 55          | -           |
| Iraq.....                                | 132         | 99          | 142         | -           |
| India.....                               | -           | 5,860       | 4,228       | -           |
| Brazil.....                              | -           | 58          | 64          | -           |
| Bulgaria.....                            | 148         | 94          | -           | -           |
| Czechoslovakia.....                      | 88          | -           | -           | -           |
| Rumania.....                             | 151         | 63          | -           | -           |
| U.S.S.R.....                             | -           | 12,000      | -           | -           |

1/ Preliminary.

Compiled from official records.

World lentil trade, when last summarized, totaled about 1.5 million bags annually. The larger exporters were Turkey, 475,000 bags; Argentina, 282,000 bags; Algeria (1954 production not yet reported), 271,000 bags; and Chile, 182,000 bags. The larger importers were France, 314,000 bags; United Kingdom, 300,000 bags; Germany, 271,000 bags; and the Netherlands, 156,000 bags. The 3 countries last named do not produce lentils in commercial quantities. United States imports have totaled 25,000 to 75,000 bags per year for several seasons, Argentina and Chile being the principal sources.

If the latest reported production is used for those countries not reporting currently, then world production would amount to about 25 million bags. Almost one-half of the world crop is produced in the Soviet Union and one-sixth in India. Only one-third of the world crop is normally produced in the 11 reporting countries.

#### SICILIAN ALMOND AND FILBERT PRODUCTION, 1954

According to latest estimates, the Sicilian 1954 almond crop amounted to about 14,300 short tons, shelled basis, which is approximately 2,700 tons less than 1953. There is no carry-over of the previous crop, and present stocks amount to approximately 3,800 tons. The quality of the current crop is considered up to standard.

Exports of shelled almonds since January 1954 are estimated at 15,400 short tons, which includes 900 tons purchased by the USSR. The principal purchasers of Sicilian almonds were, in order of importance, West Germany, United Kingdom, Netherlands, and the USSR. December prices ranged between 47 cents per pound for Palma Girgenti and 50 cents per pound for Bar type, f.o.b. Sicilian ports.

The 1954 filbert crop is estimated to amount to 4,400 short tons, the majority of which the kernels are of poor quality, due to cimiciato infestation. There is no carry-over of the 1953 crop and stocks from the present crop amount to 550 tons.

Exports of unshelled filberts from June to October 1954 amounted to approximately 400 short tons. The principal purchasers have been, in order of importance, United Kingdom, Canada, and Sweden.

Prices quoted as of December for in-shell filberts were 22.6 cents per pound, f.o.b. Sicilian ports.

Owing to the large demand from abroad, this year's market for Sicilian almonds and filberts has been very active.

#### U. S. RICE EXPORTS LESS THAN YEAR AGO

United States rice exports in the first 3 months of the current marketing year (August-July) totaled 2,861,000 bags (100 pounds) compared with 3,109,000 bags in the corresponding months of the preceding year.



RICE: United States exports to specified countries,  
October 1954, with comparisons 1/

| Country of destination   | August-July   |               | August-October |               | October       |               |
|--------------------------|---------------|---------------|----------------|---------------|---------------|---------------|
|                          | 1952-53       | 1953-54 2/    | 1953 2/        | 1954 2/       | 1953 2/       | 1954 2/       |
|                          | 1,000<br>bags | 1,000<br>bags | 1,000<br>bags  | 1,000<br>bags | 1,000<br>bags | 1,000<br>bags |
| Western Hemisphere:      |               |               |                |               |               |               |
| Canada.....              | 601:          | 633:          | 129:           | 165:          | 58:           | 109           |
| British Honduras.....    | 3:            | 17:           | 0:             | 9:            | 0:            | 6             |
| British West Indies..... | 81:           | 6:            | 2:             | 1:            | 1:            | 3/            |
| Cuba.....                | 4,876:        | 4,755:        | 1,855:         | 1,712:        | 804:          | 575           |
| Haiti.....               | 2:            | 2:            | 1:             | 48:           | 3/:           | 47            |
| Netherlands Antilles.... | 41:           | 53:           | 12:            | 12:           | 4:            | 3             |
| Venezuela.....           | 86:           | 215:          | 99:            | 3:            | 3/:           | 3/            |
| Colombia.....            | 3/:           | 314:          | 0:             | 131:          | 0:            | 54            |
| Other countries.....     | 13:           | 32:           | 12:            | 7:            | 9:            | 5             |
| Total.....               | 5,703:        | 6,027:        | 2,110:         | 2,088:        | 876:          | 799           |
| Europe                   |               |               |                |               |               |               |
| Belgium and Luxembourg : | 52:           | 206:          | 94:            | 126:          | 47:           | 31            |
| Greece.....              | 3/:           | 11:           | 3/:            | 0:            | 3/:           | 0             |
| Ireland.....             | 0:            | 0:            | 0:             | 15:           | 0:            | 2             |
| Netherlands.....         | 0:            | 12:           | 4:             | 1:            | 2:            | 1             |
| Sweden.....              | 3/:           | 1:            | 0:             | 56:           | 0:            | 14            |
| Switzerland.....         | 38:           | 57:           | 26:            | 42:           | 7:            | 23            |
| West Germany.....        | 3/:           | 29:           | 3/:            | 2:            | 3/:           | 0             |
| Other countries.....     | 10:           | 24:           | 7:             | 1:            | 6:            | 1             |
| Total.....               | 100:          | 340:          | 131:           | 243:          | 62:           | 72            |
| Asia                     |               |               |                |               |               |               |
| Saudi Arabia.....        | 138:          | 130:          | 48:            | 51:           | 7:            | 29            |
| Ceylon.....              | 647:          | 0:            | 0:             | 0:            | 0:            | 0             |
| Indonesia.....           | 1,100:        | 0:            | 0:             | 0:            | 0:            | 0             |
| Philippines.....         | 3/:           | 3/:           | 0:             | 0:            | 0:            | 0             |
| Korea, Republic of.....  | 4/ 4,631:     | 4/ 590:       | 4/ 383:        | 0:            | 182:          | 0             |
| Hong Kong.....           | 179:          | 0:            | 0:             | 0:            | 0:            | 0             |
| Japan.....               | 3,999:        | 8,538:        | 426:           | 389:          | 426:          | 61            |
| Ryukyu Islands.....      | 616:          | 0:            | 0:             | 0:            | 0:            | 0             |
| Other countries.....     | 5:            | 25:           | 2:             | 5:            | 1:            | 1             |
| Total.....               | 11,315:       | 9,283:        | 859:           | 445:          | 616:          | 91            |
| Total Oceania.....       | 19:           | 17:           | 8:             | 4:            | 5:            | 2             |
| Liberia.....             | 22:           | 67:           | 0:             | 78:           | 0:            | 22            |
| Other Africa.....        | 3/:           | 6:            | 1:             | 0:            | 1:            | 0             |
| Other countries.....     | - :5/         | 8:            | 0:5/           | 3:            | 0:5/          | 1             |
| Total world.....         | 17,159:       | 15,748:       | 3,109:         | 2,861:        | 1,560:        | 987           |

1/ Milled rice, including brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Less than 500 bags. 4/ Adjusted to include all programs of the Department of Defense and the Foreign Operations Administration. 5/ Starting with January 1954, "other countries" includes shipments valued at less than \$500 each when the number of such shipments to a country in a given month is few.



The major decline was a drop of more than 50 percent in shipments to Asia. Exports to Europe increased from the like period of the year before, while those to the Western Hemisphere were about the same in total quantity.

October exports declined from relatively heavy shipments in September. The principal destinations were Cuba, Canada, and European countries. Rice exports to Japan of 61,000 bags dropped sharply from September shipments of 328,000 bags.

#### GRAIN TRADE NOTES

Chile Fixes 1954-55 Wheat Producer Price: After prolonged study and discussion, the Chilean Government has fixed the average ceiling price for producer deliveries of new (1954-55) crop wheat at 1,818 pesos per quintal (\$4.50 per bushel).

The new price, based on recommendations of the Ministry of Agriculture resulting from a study of production costs, represents an increase of 52 percent in comparison with the 1953-54 price of 1,200 pesos per quintal (\$2.97 per bushel). However, the new price is considerably less than the 2,500 pesos per quintal (\$6.18 per bushel) recommended by the Chilean Wheat Producers Association. The actual ceiling price, which is in effect the fixed producer price, varies from the indicated average depending on the point to which delivery is made. A total of 7 official delivery points are designated, with the price ranging from a low of 1,775 pesos per quintal (\$4.39 per bushel) at Canete to a high of 1,890 pesos per quintal (\$4.68 per bushel) at Ovalle.

Yugoslavia Stresses Pre-Harvest Delivery Contracts for 1955 Grain Crop: A major effort is being made by the Government of Yugoslavia to increase pre-harvest delivery contracts in order to encourage expanded grain acreage and increased market deliveries from the 1955 crop. This scheme, used for the 1953 and 1954 grain crops with mixed success, was started earlier this year than in the two preceding years and is expected to continue up to harvest time. As a part of the program, the government is making seed and artificial fertilizers available to the grower now with payment to be made at harvest time. For some areas, an advance payment of 10 dinars per kilogram (\$1.52 per cwt.) and the use of certain agricultural machinery as well as technological assistance is provided.

Turkey Continues Drive to Increase Grain Storage Capacity: As a part of the long range program to increase grain production and export, Turkey's commercial grain storage facilities are to be expanded to a total capacity of 1,522,000 metric tons, according to a recent official announcement. The announcement pointed out also that storage facilities had been increased from 148,000 metric tons in 1950 (not counting 415,000 tons of wooden, barn-type storage space) to 540,000 tons in 1954. In the past, the lack of adequate storage space has been a major bottleneck to the expansion of grain production and export.

Austria Continues Fixed Prices for Mill and Bakery Products: Austria's fixed price system for flour and bread has been expanded recently by the addition of two new types of rye bread flour, i.e., type R 1,000, a light flour; and type R 2,500, a dark flour. Further, the mill price for all three rye flour types now authorized was set at the same level, i.e., 197.50 shillings per quintal (\$3.46 per cwt.). Consumption of the new light rye flour is expected to be heavy but use of the new dark flour is not expected to exceed two percent of total rye flour consumption.

Except for these additions, fixed prices for mill and bakery products in Austria have remained unchanged since July 16, 1951 when basic mill prices for flour were pegged at the following levels in shillings per metric quintal with the equivalent price in dollars per cwt. shown in parentheses: wheat cooking flour, type W710, 366.65 (\$6.42); wheat bread flour, type W1,600, 194.85 (\$3.41); and rye flour, type R1,160, 194.85 (\$3.41). Comparable retail prices for these flours were fixed as follows: wheat cooking flour, type W710, 430 (\$7.52); wheat bread flour, type W1,600, 256.00 (\$4.48); and rye flour, type R1,160, 256.00 (\$4.48).

The consumer price for white bread was fixed at 5.90 shillings per kilogram (10.3 cents per lb.) for white bread and 3.60 shillings per kilogram (6.3 cents per lb.) for dark bread. Retail prices were also prescribed for 9 other standard bakery products. (For a detailed discussion of Austria's fixed prices and marketing procedures for domestic and imported grain, see Foreign Crops and Markets of September 27, 1954).

New Zealand's 1954-55 Wheat Producer Price Unchanged: The fixed producer price for New Zealand's 1954-55 wheat crop is expected to remain unchanged at 11s. 6d. per bushel (\$1.59 per bushel), basis on rail at stations. Although producers have continued to seek an increase, indications are that the Wheat Committee does not desire to encourage increased domestic production in view of depressed world prices. The official policy continues to be aimed at keeping the wheat acreage at about current levels, supplying approximately one-third of local needs with the rest of requirements coming from Australia.

United Kingdom to Continue Cereals Deficiency Payments Scheme in 1955-56: The British Cereals Deficiency Payments Scheme will be continued for the 1955-56 crop, according to a recent statement to Parliament by the Minister of Agriculture and Fisheries. The scheme will be administered by the Cereals Deficiency Payments Unit of the Ministry of Food. Under this program, used for the first time in 1954-55, farmers sell their grain at free market prices and later receive direct payment from the government for the difference between the sale price and the officially fixed cost of production or parity price calculated each year. Detailed arrangements for the next crop year will be made after the existing advisory committees representing growers and trade interests have been consulted.



Uruguay Holds 1954-55 Producer Wheat Price at 1953-54 Level: The Government of Uruguay has announced that the producer price for the 1954-55 wheat crop will be maintained at 16.50 pesos per 100 kilograms (\$2.96 per bushel) for the 1954-55 crop, basis delivered Montevideo. Earlier, it had been expected that the price would be reduced to around 15.00 pesos per 100 kilograms (\$2.69 per bushel) in order to reduce government bread subsidy expenditures.

In order to encourage orderly marketing, a monthly increase of 12 centesimos per 100 kilograms (2.2 cents per bushel) in the price is provided for starting with January and extending through October. The fixed margin allowed acopiadores (dealers) over the stated producer price has been increased from 30 to 40 centesimos per quintal (5.4 to 7.2 cents per bushel) in an effort to stimulate private purchases. Recently, the Bank of the Republic has been the sole purchaser and seller of wheat in Uruguay.

India's Quality Rice Export Program Meeting With Little Success: According to recent reports of the Government of India, the program to export 200,000 to 300,000 metric tons of high quality rice in 1954-55 is meeting with little success. Although export permits have been issued totaling 45,000 tons, actual exports to date are estimated at only 2,000 to 3,000 tons. Export permits were issued for shipments to Japan, Ceylon, Mauritius, the Persian Gulf, Aden, East Africa, U.K., West Germany, and Tibet. One factor in the failure to meet export goals may be the increase in rice export duties last July from 2 annas and 3 pies per maund (0.04 cents per pound) to 20 percent ad valorem (about 0.8 cents per pound based on recent rice market prices in India).

Government of Jordan Acts to Prevent Wheat Shortage: The Jordan Government has banned all wheat exports and has dispatched a wheat purchasing mission to Lebanon, Syria, and Iraq in an effort to stave off an imminent wheat shortage. According to reports, the Government Cereals Board plans to import a minimum of 10,000 metric tons of wheat as soon as possible although the total import need for 1954-55 has not been established. The deficit apparently resulted from the cumulative effects of the crop failure in 1953, together with a relatively small crop in 1954 coupled with increased exports of domestic wheat. A complicating factor is the virtual cessation of local wheat marketings reportedly due to farm hoarding in the face of the current strong market demand and the relatively low wheat prices fixed by the Cereals Board.

Japanese Government Considering Imposition of Grain and Flour Import Duties: Japanese statutory customs duties on grain and flour imports, which have been waived since World War II, may be enforced in 1955. Such duties provide for an ad valorem rate of 20 percent for wheat, 25 percent for wheat flour, 15 percent for rice, and 10 percent for barley. These statutory duties have been waived on a semi-annual basis with the present waiver due to expire March 31, 1955. The Japanese Minister of Finance reportedly favors enforcement of the duties as a revenue measure while the Ministry of Agriculture opposes such action. If the duties are enforced, the pattern of the Japanese grain imports may be affected.



Sweden Abolishes Import Fee for Oats: As part of a general reduction in import fees for feedstuffs designed to reduce feed costs, the Swedish Government recently abolished the import fee for oats. Formerly, the fee for such imports was 3.50 krona per quintal (9.8 cents per bushel). Steps are also being taken to abolish the customs duty on barley, currently at 3.70 krona per quintal (15.6 cents per bushel), for similar reasons. Import fees remain unchanged for corn at 3.50 krona per quintal (17.2 cents per bushel).

Syria Abolishes Import Duties for Wheat and Mixed Grains: Subsequent to the prohibition of wheat and flour exports November 20, 1954, the Syrian Government has abolished customs duties on wheat, spelt, and mixed grain imports. Certain types of wheat, as well as spelt and mixed grain, were formerly subject to an import duty of 15 piasters per gross kilogram (\$3.10 per cwt.). Hard wheat was formerly subject to an ad valorem duty of 50 percent while the duty on soft wheat was 25 piasters per gross kilogram (\$3.10 per bushel). The action eliminating customs duties on wheat, spelt, and mixed grain was motivated by the current wheat shortage in Syria.

Reduction Expected in Compulsory Use of Home-grown Wheat in Germany: Due to the poor quality of the 1954 German wheat crop, a sharp reduction in the compulsory utilization of domestic wheat is imminent. In order to secure full utilization of domestic wheat under Germany's price support operations and to minimize wheat imports in the interest of conserving foreign exchange, the Government requires the use by millers of minimum amounts of homegrown wheat in milling operations. The compulsory percentage utilization of homegrown wheat originally prescribed for 1954-55 with the anticipated new rates shown in parentheses are as follows: December-January, 60 (25); February-March, 80 (20); and June-July, no regulation. In addition, imports of "quality" wheat, formerly limited to 32 percent of total wheat imports, are expected to be increased to 40 percent of the total. As a result of the expected changes, German 1954-55 wheat imports are likely to be much larger than a year earlier. In addition, the quality of the imports will be stressed. (For a discussion of Germany's wheat import system, see Foreign Crops and Markets, November 15, 1954.)

Syrian Government Acts to Reduce Consumer Prices for Wheat Flour and Rice: In moves designed to reduce consumer food prices, the Syrian Government has recently banned all exports of wheat and wheat flour, and eliminated import duties on rice imports from Egypt. As a result of the export ban, wheat prices in the Aleppo market late in November dropped from 27 piasters per kilogram (\$3.35 per bushel) to 23 piasters per kilogram (\$2.86 per bushel). Rice prices in Damascus dropped from 86 piasters per kilogram (17.8 cents per pound) to 67 piasters (13.9 cents per pound), primarily as a result of the removal of the import duty of 14 piasters per kilogram (2.9 cents per pound) on rice imports from Egypt.

Guatemala Acts to Encourage Domestic Flour Milling: Guatemala's Acting Minister of Economy and Labor recently increased the proportion of compulsory domestic flour purchases from 25 to 50 percent of the total. Under the so-called "compensation arrangement", which is designed to encourage local flour milling, importers must now buy from local millers a minimum of 50 percent of the total flour they handle. This assures that at least half of Guatemala's total flour requirements will be supplied by local mills. The action is expected to reduce flour imports but increase imports of wheat.

Mexico Reduces Food Subsidies on Corn: Government subsidies on corn used for tortillas have been practically eliminated with the result that retail prices for tortillas in Mexico City have advanced from 45 centavos per kilogram (1.6 cents per pound) to 70 centavos (2.5 cents per pound). Formerly, CEIMSA (Government import and sales agency) supplied imported yellow corn to tortilla makers at the subsidized price of 276.70 pesos per metric ton (\$0.56 per bushel) even though the actual cost of the corn to the agency was almost double that amount. Now, domestic white corn purchased in rural areas at about 550 pesos per ton (\$1.12 per bushel) is supplied tortilla makers at 520 pesos per metric ton (\$1.06 per bushel).

#### CUBA SLASHES TOBACCO ACREAGE

On November 19, 1954 the Cuban Ministry of Agriculture drastically cut the 1954-55 tobacco crop quota by 30 percent, from the 91.2 million pounds that had previously been allocated, to 61.9 million pounds. This reduction was made necessary by an excessive stock position. Despite the large stocks the last three crops which were of excellent quality have not yet encountered serious marketing difficulties locally or abroad.

However, the Cuban Tobacco Fund recently had to finance the purchase of 24.9 million pounds of the 1953-54 crop valued at 8 million dollars. This purchase relieved small farmers who were badly pressed for cash and prevented a possible break in prices.

The Tobacco Stabilization Fund at present holds more than 40.5 million pounds of leaf with another 40 to 45 million pounds in the hands of dealers and growers. Preliminary estimates place the 1953-54 crop at 84.6 million pounds. This crop added to the present stocks of 80 to 85 million pounds made necessary the reduced allotments. With a normal disappearance of about 80 million pounds, stocks could be reduced in size by next year to a quantity more in line with market requirements.

#### CANADIAN TURKEY OUTLOOK

A 1954 Canadian turkey production of 3.5 million birds was reported at the recent Federal-Provincial Agricultural Conference at Ottawa. This is about 23 percent larger than in 1953 and is the largest turkey output in Canadian history.

It was also reported that in 1954 Canadian growers and dealers both took measures to improve their competitive position in their domestic market. The most obvious step taken was the doubling of eviscerating capacity in 1954 from that of 1953. Growers in turn marketed their production earlier, permitting processors and distributors to prepare and place the crop in sales position at an earlier date.

The 1955 Canadian turkey crop is likely to be smaller than that of 1954, if producers follow their traditional production pattern.



Although production has followed a marked upward trend in recent years, it has increased only in each alternate year. If this pattern is followed in 1955, production should be cut back below that of 1954. However, Canadian turkey production has become increasingly specialized, partly to take advantage of new cost cutting techniques and developments introduced in the past few years. This specialization limits opportunities of farmers to shift quickly among enterprises with the result that production in 1955 may remain close to that of 1954.

The Dominion Bureau of Statistics reports about a 9 percent increase in inspected dressed turkey imports in 1954 over 1953. The United States is the chief supplier of Canada's turkey imports.

Canada: Imports and Exports of Inspected Dressed Poultry

| Item    | Exports |         |                              | Imports   |           |                              |
|---------|---------|---------|------------------------------|-----------|-----------|------------------------------|
|         | 1954    | 1953    | 1954 as a percentage of 1953 | 1954      | 1953      | 1954 as a percentage of 1953 |
|         | Pounds  | Pounds  | Percent                      | Pounds    | Pounds    | Percent                      |
| Chicken | 186,452 | 130,278 | 143                          | 111,034   | 445,078   | 25                           |
| Fowl    | 40,614  | 21,901  | 185                          | 2,277,623 | 1,955,581 | 116                          |
| Turkey  | 52,608  | 16,334  | 322                          | 5,746,511 | 5,275,276 | 109                          |
| Others  | 13,993  | 16,377  | 85                           | 621,279   | 643,989   | 96                           |
| Total   | 293,667 | 184,890 | 159                          | 8,756,437 | 8,319,924 | 105                          |

Source: Dominion Bureau of Statistics.

DAIRY SITUATION IN WEST GERMANY,  
THIRD QUARTER, 1954

Milk production in Western Germany in the third quarter of 1954 was at about the same level as a year earlier. Although milk cow numbers were down, due in part to increased T-B eradication, yields per cow were slightly higher. Butter production continued to absorb the major portion of the milk supply, with less milk being used for fluid consumption and cheese production than a year ago. Production of processed milk, particularly evaporated whole milk, reached an all-time record, mainly as a result of consumer demands.



Western Germany: Production of milk and dairy products  
July-September, 1954 compared with July-September, 1953

| Commodity               | 1954         |  | 1953         |  | 1954-1953      |
|-------------------------|--------------|--|--------------|--|----------------|
|                         |              |  |              |  | Percent change |
|                         | 1,000 pounds |  | 1,000 pounds |  | Percent        |
| Milk                    | 10,155,490   |  | 10,186,795   |  | 99.7           |
| Butter                  | 186,663      |  | 182,296      |  | 102.4          |
| Hard and soft cheese    | 81,824       |  | 87,569       |  | 93.4           |
| Low-fat content cheese  | 10,668       |  | 9,325        |  | 114.4          |
| Quark and fresh cheese  | 58,847       |  | 51,361       |  | 114.6          |
| Condensed milk, whole   | 122,673      |  | 96,312       |  | 127.4          |
| Condensed milk, skimmed | 3,836        |  | 4,414        |  | 86.9           |
| Dried milk, whole       | 8,640        |  | 11,087       |  | 78.0           |
| Dried milk, skimmed     | 13,563       |  | 16,925       |  | 80.1           |

During the third quarter of 1954, imports of butter were down about 30 per cent, due to a delay by the Government in the seasonally necessary butter purchases. Denmark and the Netherlands continued to be the chief suppliers. Exports of butter in this period were small. Cheese imports were larger and consisted, as in earlier periods, almost entirely of hard cheese from the Netherlands and Denmark. German cheese exports in the July-September quarter, 1954, increased substantially over the corresponding quarter of 1953. In the third quarter of 1954, almost all cheese exported consisted of Emmenthaler and processed-cheese types to Belgium and Italy.

Western Germany: Foreign trade in dairy products, July-September, 1954,  
compared with July-September, 1953

| Commodity      | Imports      |              |                | Exports      |              |                |
|----------------|--------------|--------------|----------------|--------------|--------------|----------------|
|                | 1954         | 1953         | 1954/1953      | 1954         | 1953         | 1954/1953      |
|                | 1,000 pounds | 1,000 pounds | Percent change | 1,000 pounds | 1,000 pounds | Percent change |
| Butter         | 2,273        | 3,285        | 69.2           | 2            | 4            | 50.0           |
| Cheese         | 38,909       | 39,255       | 99.1           | 3,203        | 2,070        | 154.7          |
| Processed milk | 3,294        | 1,470        | 224.1          | 542          | 159          | 341.0          |

IRAQ APPROVES ARAB LEAGUE  
TRADE AGREEMENT

The Iraq Parliament has approved the Arab League Trade Agreement on Trade and Payments. The agreement, among the various Arab governments, allows concessions in the trade in animals and animal products.

Certain animals and animal products are exempted from Customs import duties providing the country of origin is one of the signators of the agreement. The animals exempt from duties among Arab League States are horses, mules, donkeys, cattle, buffalo, sheep and goats, and camels, animals not specifically banned or covered under other features and animals imported specifically for breeding are also duty-exempt.

Most meat, whether fresh, frozen or cold-storage, prepared meats and fowl are exempt as are fresh fish, dried salted or smoked fish and fresh crustaceans and mollusks. Dairy products declared exempt from duty when originating in other Arab states include fresh and curdled milk and fresh cream. Eggs are also included in the exempt classification. Inedible animal products, including offal, are exempt as are raw skins, raw wool, raw goat hair or raw camel hair.

Other articles are given preferential treatment and are subject to a reduced tariff rate of 25 percent of the normal customs tariff in force in the Arab importing country. Among the dairy products included in this category are fresh and salted butter and ghee, qashqawal (plastic curd) cheese and white cheese of all kinds. Preserved meat and preparations of meat, not including pork, are listed in the preferential category as are tanned skins and dyed or finished leathers and tanned leather manufactures. Woolen yarn of all kinds, carpets and textiles of pure wool are also allowed in trade under the 25 percent rate.

The Agreement also provides that products of one contracting party shall not be taxed in the country of import at a rate exceeding the domestic taxes. Arab countries are also to enjoy themselves preferential treatment in the granting of export and import licenses.

#### LIVESTOCK NUMBERS IN COMMUNIST CHINA

Livestock numbers in Communist China have increased materially since 1949 and the number of most species is now considerably above prewar, according to recent estimates of American Consulate General at Hong Kong. In 1953 it was estimated that China had 29 million cattle, 12 million buffaloes, 77 million hogs, 51 million sheep and goats and 19 million horses, mules and donkeys.

The largest increase in numbers since 1949 appears in the smaller animals, goats, sheep and pigs. Livestock numbers in 1949 were very low as a result of the warfare that raged within China from 1937 to 1949. However, part of the increase is due to the inclusion of areas formerly not included as Chinese territory. The most rapid gains have been in hogs, which generally remain private property and have not usually been subject to the plural ownership that work stock often underwent.



Although China is the world's second largest producer of pork and a large producer of sheep and cattle, it has serious shortages of draft animals, meat and livestock products. The task of increasing the number of draft animals has been adopted by the Chinese Communists as the Number One policy in the development of their livestock industry. In addition to the horses, mules and donkeys, a large number of the cattle and buffaloes are used for draft purposes. This reduces the output of milk and meat from the large numbers in the country.

China has never had a livestock census but estimates have been made by both the National Government and later by the Communists. The recent estimates of the American Consulate General, at Hong Kong, are based upon reports appearing in the Chinese press and other publications. The estimates for 1937 were compiled from National Government, Japanese and Provincial sources. Both the prewar and postwar figures can serve only as rough estimates of the current numbers. The Chinese Communist figures probably have an upward bias, and the prewar a downward bias.

Livestock Numbers in Communist China,  
1937 and 1949-53

|           | 1937 <u>1/</u>    | 1949 <u>2/</u> | 1950 <u>1/</u> | 1951 <u>2/</u> | 1952 <u>2/</u> | 1953 <u>2/</u> |
|-----------|-------------------|----------------|----------------|----------------|----------------|----------------|
|           | <u>1,000</u>      | <u>1,000</u>   | <u>1,000</u>   | <u>1,000</u>   | <u>1,000</u>   | <u>1,000</u>   |
| Buffaloes | 11,574:           | 9,491:         | 9,823:         | 10,157:        | 10,904:        | 11,885         |
| Cattle    | 25,566:           | 23,009:        | 23,814:        | 24,624:        | 26,433:        | 28,812         |
| Horses    | 6,058:            | 4,604:         | 4,765:         | 4,927:         | 5,194:         | 5,558          |
| Mules     | 4,500:            | 1,800:         | 1,863:         | 1,926:         | 2,031:         | 2,173          |
| Donkeys   | 9,639:            | 9,061:         | 9,378:         | 9,697:         | 10,222:        | 10,938         |
| Goats     | <u>3/</u> 25,928: | 17,372:        | 18,397:        | 19,942:        | 28,664:        | 34,110         |
| Sheep     | 14,092:           | 9,442:         | 9,999:         | 10,829:        | 14,445:        | 17,190         |
| Hogs      | 65,315:           | 41,953:        | 51,180:        | 64,303:        | 74,256:        | 77,376         |

1/ Includes 22 provinces, Manchuria and Sinkiang. Excludes outer Mongolia.

2/ National estimate of China mainland. Excludes outer Mongolia.

3/ Includes the sheep population of Sinkiang.

#### SOUTH AFRICA EXPORTS

#### CHEESE AT LOSS

A report just received indicates that the Union of South Africa has been exporting some cheese at a loss of about 14 cents a pound; the subsidy was necessary to export at somewhat competitive prices some of the surplus milk production. During the marketing year, the loss of cheese amounted to about \$560,000 and exhausted the Dairy Industry Control Board's stabilization fund. If the loss is maintained, producers will have to accept about 23 cents a hundredweight less for their milk.



G. A. Herring, a representative of the National Commodity Committee for Industrial Milk, is reported as stating that the Union of South Africa could not compete with a country like New Zealand, whose production costs were so much lower. He felt that it was possible for New Zealand to obtain a market for its products in South Africa, solely on a price basis. Cheese consumption in South Africa is low and P. Toens, of the South African Department of Agriculture attributes this in part to high prices and the availability of meat. Exports of cheese in 1953 amounted to 196,000 pounds, of which 94,000 pounds were to ships' stores.

In the meantime, members of the Transvaal Fresh Milk Producers Association are concerned over their fluid milk surplus problem which amounts to about 20,000 pounds daily. Surplus milk is accepted only as separated cream, affecting the pool prices. During 1953 the average price for surplus milk at Johannesburg market was \$2.43 a hundredweight; during 1954 the average price was probably no more than \$2.20.

#### BEEF EXPORTS FROM PARAGUAY TO CONTINUE SMALL

While cattle numbers have increased slightly in Paraguay, the country has found it difficult to supply enough beef for local requirements for several years and it will be some time in the future before it can reestablish itself as a beef exporter of any importance.

The meat supply situation has been of considerable concern for several years due to the poor distribution system, the Government's price control policy, and large weight losses on cattle during the long overland drives from producing areas to slaughter and consuming centers.

There has been a decline in the supply of Argentine cattle for slaughter by Paraguayan packers and unauthorized exports of large numbers of cattle to neighboring countries have further diminished supplies for local consumption. The human population has been increasing at a fairly fast rate. As late as 1946 meat products were the most important export from Paraguay, making up more than one-fifth of the value of the export movement, but now they are of minor importance and the slaughter plants which pack for the export trade are closed most of the year.

The urban meat supply is monopolized by COPACAR, an official agency which slaughters and sells meat at controlled price to the open-air markets or ferias. Meat is ungraded with that from old cows being priced the same as that from young steers. Securing good beef is largely a matter of luck or discernment on the part of buyers. The failure of the Government to grant cattle price increases to the producers in order to hold consumer prices in check has destroyed the incentive of farmers for producing cattle, while the "one price" system has destroyed incentive for improving their quality.

Although total slaughter has declined, exports of canned beef also have dropped and the consumer has not fared as badly as the reduced slaughter figures would indicate. Cattle slaughter was officially reported at 507,000 head in 1953, or 81,000 less than in 1939. During that period slaughter for local consumption rose slightly from 465,000 head to 494,000. However, during this period there was a decrease of 110,000 head in the number of animals slaughtered for export. No data for 1954 slaughter is available but there have been periods of meat shortage. The rural dwellers have received relatively more beef than the urban consumers. The farm people have always eaten large amounts of mutton.

Pasturage is abundantly rich in Paraguay and it is believed that the country is capable of supporting a greatly increased number of livestock. If the basic causes for low production were corrected it would be possible for Paraguay to reestablish itself as an important exporter of beef products.

#### URUGUAY MILK PRODUCTION AND CONSUMPTION CONTINUE HIGH

As more data are made available on dairy production in Uruguay, it is apparent that this South American country is becoming a leading milk-producing country. Total milk production of approximately 1.3 billion pounds in 1953 put Uruguay in third place in the Western Hemisphere in production per person and just ahead of the 518 pounds per person registered in Argentina.

Consumption of milk also puts Uruguay in a front rank. During 1953 it is estimated that fluid consumption was 344 pounds per person, just slightly less than a pint per person per day. This per-capita consumption figure equals the fluid consumption rate of the United Kingdom and is only 6 pounds per person less than the United States, which ranks eighth among primary dairy producing countries in fluid milk consumption. Cheese consumption during 1953 amounted to about 6.5 pounds per person while per-capita butter use was just over 3 pounds per person.

Until 1953 Uruguay was a net importer of dairy products, but in 1953 exported about 22,000 tons of cheese to other Latin American nations and shipped about 661,000 pounds of butter to the Soviet Union at an f.o.b. price reported to be approximately 40.5 cents per pound.

#### CANADA HAS LARGER MEAT EXPORT SURPLUS

Increased meat-animal output, stable prices and increased exportable surpluses highlight the livestock situation in Canada for 1955 according to Federal-Provincial economists at the Sixteenth Annual Outlook Conference held in Ottawa, in December. Their conclusions are given as follows:

There will likely be larger amounts of both beef and pork for export this year. The trend of livestock and meat prices in the United States will continue to be an important factor in Canadian markets.



Hog marketings in commercial channels during 1954-55 may total about 5.8 million head, an increase of 19 percent or 900,000 over 1953-54. In view of the increase in pork production, it is estimated that the equivalent of around 900,000 hogs or about 120 million pounds of pork will be available for export. This is about twice the quantity exported in 1953-54. Canadian hog prices will continue to maintain a close relationship with those in the United States. A repetition of the relatively high price levels for pork in the spring of 1954 is not expected in either the United States or Canada.

Canadian cattle numbers now appear to be at, or nearing a peak in the cycle and while there is some evidence that the build-up in the population has slowed this year, marketings probably will continue at a substantially higher level in 1955. Marketings for slaughter in 1954-55 may total around 1.8 million head or 5 percent more than a year earlier. The exportable surplus for the year may be about 190,000 head or the equivalent of about 100 million pounds of beef.

Due to the present large number of cows on farms, marketings of veal calves in 1954-55 may show a further substantial increase, possibly as much as 7 percent above the previous year. With the larger prospective supply and possibly lower prices, Canada will have an exportable surplus of about 3 million pounds of veal during the year.

While there has been some increase in the sheep population since 1951, the increased numbers have not shown up in much increase in marketings. Sheep slaughter during 1954-55 is expected to be about 585,000 head, 7 percent larger than in 1953-54.

#### EGYPT'S IMPORTS OF DAIRY PRODUCTS IN 1954 DOWN FROM 1953

From January through August 1954 Egypt's imports of dairy products has declined about 50 percent from the similar period in 1953. At the end of August 1953 Egypt had imported dairy products valued at \$3.1 million; up to September 1, 1954, imports of these items totaled less than 1.6 million.

During the 7-month period in 1953 powdered milk imports totaled 842,000 pounds; but in the same period in 1954 amounted to only 646,000 pounds. The 643,000 pounds of condensed and evaporated milk shipments received up to September 1, 1954 amounted to only 43 percent of the receipts during the same period in 1953. Only 22,000 pounds of butter were imported during the first 7 months of 1954 as against 51,000 in 1953. Only cheese imports showed an increase. During January through August 1954 imports amounted to just under 3.8 million pounds compared to 2.1 million in the 7-month period in 1953.



## VENEZUELA STUDIES PLANS FOR EGG-BRANDING

The Venezuelan Ministries of Agriculture and Development are reported to have completed studies to have imported eggs marked as to country of origin. Action will be taken to guarantee the Venezuelan consumer as to the origin of the eggs he purchases. At the present time it is reported that in the majority of cases Venezuelans are buying imported eggs under the impression they are locally produced. Local eggs retail at \$1.20 per dozen, whereas imported eggs are sold in the free markets for 60 cents per dozen.

What egg-marking should accomplish is a reduction in the profits of those who have been selling imported eggs as local fresh eggs. Some of these sellers are egg-producers themselves. It should also decrease the price of eggs and may in consequence increase consumption.

The consumers may discover that imported eggs are nearly as good as local eggs if United States exporters protect and promote their Venezuelan market by sending edible eggs. In fact, the consumer may discover that imported eggs are as good as the local fresh eggs they have been buying; it is reported they are often identical. If the consumers do discover this the value of local fresh eggs may decline.

## CUBA: SUPPLY AND CONSUMPTION OF EGGS

Most of the commercial poultry industry of Cuba is located around Havana, since that city has about 20 percent of Cuba's population and is the transportation, business and financial center of the island. Chickens are raised on a number of farms throughout the rest of the island to supply the many small towns, and Cuba's second largest city, Santiago de Cuba, has some commercial henneries.

In recent years Cuban commercial poultry production has been mainly of broilers rather than of market eggs. However, for the most part, the Cuban broiler industry is now well organized and stable. Local Cuban hatchers energetically are planning to promote laying chickens on a big scale. Most of them feel crosses and inbreds are the answer and openly are seeking information as to the best birds for Cuba. Hatchers have been and are establishing contacts with suppliers of egg laying breeds, testing the birds in cages, and now they and feed companies are selling cages with these chicks included.

Prior to 1930, Cuba imported considerable quantities of market eggs and poultry almost entirely from the United States. Since 1929 higher import duties have been enforced, sharply reducing imports and stimulating domestic production. Practically no eggs were imported from 1931 until 1945, when the Government again encouraged imports by emergency waiver of the import duty.

In 1945, Cuban production dropped as a result of severe drought, while the demand increased, due to the scarcity of meat and other food, thus increasing consumer purchasing power. The Cuban Government waived import duties on specified quantities of eggs, and imports rose to 166,600 dozen, valued at about \$56,900. Extension of the waiver in 1946 made possible heavy importation, estimated at about 2 million dozen. These imports increased to 7.1 million dozen in 1952, but declined to 4.9 million dozen in 1953.

During the past two or three years a few relatively large and up-to-date poultry farms have been started near Havana, Camaguey and Santiago de Cuba. Cages are used on some of these farms. For example, one farm, through a distributor, delivers directly to the final consumer. The eggs sold are gathered twice a day, immediately put into refrigeration and delivered frequently. These quality eggs sell at 75 cents for large, 69 cents for mediums and 59 cents for small, per dozen.

The Cuban egg market, according to United States egg export figures, still is being substantially supplied by imports from the United States. Local production presently is increasing. One estimate widely used is that about 75 percent of the eggs sold through regular commercial channels have been imported. The other 25 percent is being produced locally. It is estimated that about 900 cases of locally produced eggs, 30 dozen eggs per case, are sold in the Havana area daily. Grade A eggs in the United States, retailing at 46 cents per dozen, compared to eggs at 72 cents per dozen or more in Cuba, demonstrates how United States exporters can promote the sale of quantity eggs. The theory that "eggs are eggs" could cost the United States its Cuban egg market in the next few years.

Egg marketing in Cuba is carried out in many ways, including direct house delivery and corner stores, with or without refrigeration. Eggs are sold from these outlets by the piece, at a minimum price of 6 cents each. Size of the egg is not a factor. In the stores, the eggs are displayed in cardboard boxes and carried home by the final consumer in paper bags. The modern and supermarkets display and sell eggs in cartons under refrigeration, but these sales are a very small percentage of total egg sales.

From February to June 1, the market is supplied almost entirely by local eggs. During the remainder of the year, the United States has been the primary supplier. This year the Cuban Government announced that market eggs would be imported from June, 1954, duty free, until February 1955. The Cuban Government later announced that the regular duty would be affective again on October 19, 1954. This is indicative of Cuba's movement towards self-sufficiency in marketing eggs.



## FRANCE TIGHTENS PRICE SUPPORTS FOR 1955 WHEAT CROP

The French Government has adopted far-reaching measures to tighten price support operations for the 1955 domestic wheat crop. The new measures not only place a ceiling on the total quantity of wheat deliverable from the 1955 crop at guaranteed prices but also establish rigid quality standards for such deliveries. In general, they are designed to limit the financial burden and improve quality while at the same time maintaining the price support system.

This action was precipitated by the large Government subsidy expenditures necessary in order to dispose of surplus soft wheat of low quality. Such expenditures are expected to exceed 11.0 billion francs (\$31.4 million) for 1954-55. Because of the record 1954 crop, the total wheat surplus for export or carry-over this year is expected to reach 2,600,000 metric tons, including planned exports of 2,250,000 tons and 350,000 tons for carry-over. A high rate of subsidy is necessary since farmers are guaranteed a basic price of 3,400 francs per quintal (\$2.64 per bushel).

The basic Decree (No. 53-975 of September 30, 1953) prescribing the organization of the cereals marketing regime was amended on November 4, 1954 (Decree No. 54-1077) to give more authority to the Minister of Agriculture, and to fix quality standards for wheat. This amendment provided that the guaranteed producer price would apply only to wheat of a specific weight of 75 kilograms per hectoliter (58.3 pounds per bushel) meeting specified minimum moisture and bread-making quality standards. Wheat failing to meet such specifications is considered as feed wheat and is not eligible for delivery at the guaranteed price.

A second Decree (No. 54-1078 of November 4, 1954) fixed 6.8 million tons as the maximum total quantity of wheat marketable at the guaranteed price from any one crop. The National Cereals Office (ONIC) is required to make an estimate of 1955 crop wheat deliveries before October 1, 1955. If the estimate of total deliveries exceeds 6.8 million tons, producers will be paid the guaranteed price only for the portion of their deliveries eligible for the guarantee. For the balance, they will receive by June 1, 1956 a price equal to the average weighted price of wheat sold between August 1, 1955 and May 1, 1956 for export and for livestock feed.

A third Decree (No. 54-1079 of November 4) fixed quality standards for wheat deliverable at guaranteed prices. Wheat with a W value (warrant) on a modified Chopin Extensometer (Chopin-extensimetre-alvenographe) of less than 60 will be considered as feed wheat, or wheat not eligible for delivery at the guaranteed producer price.

Wheat with a W value of 60 to 80 will be eligible for delivery at the guaranteed price, less deductions to be fixed later. For wheat with a W value of 80 to 120, the full guaranteed price will apply. Wheat with a W value of 120 or more will be deliverable at guaranteed prices, plus premiums to be fixed later. These standards may be varied by as much as 10 points at the discretion of ONIC in consideration of annual quality variations in the wheat crop.



Provisions of the above Decrees are scheduled to take effect with the 1955 wheat crop. However, it is expected that ONIC will use its authority to lower quality standards by 10 points, except for wheat eligible for quality premiums, for the new crop in order to effect a gradual transition to the rigid quality standards.

#### JUTE SITUATION IN INDIA AT THE BEGINNING OF THE 1954-55 SEASON

The official final estimate of the all-India jute crop in 1954-55 season (beginning July 1) announces the area and production at 1,273,000 acres and 3,153,000 bales, or 1,261.2 million pounds. The preliminary official estimate was 1,334,000 acres and 1,440 million pounds. Although the current estimate is less than the preliminary one for this year, it is larger than the partially revised estimate of 1,196,000 acres and 1,251.6 million pounds for the last year. The reduced crop harvested in 1954 was the result of heavy floods during the late growing season.

Trade sources still estimate the current crop at 4 million bales (1,600 million pounds) or 27 percent greater than the official estimate. The trade estimate for the 1954 crop is 14 percent greater than the 3.5 million bales of last year's trade estimates.

The loss of jute crops in the flood affected areas, as calculated by the Regional Jute Development Officer, was 272 million pounds representing 260,000 acres in the affected areas of Assam, Bihar, and West Bengal, with Assam suffering the greatest loss. However, the increase over last year in the West Bengal acreage and the extension of cultivation to new areas in other jute producing States of India is believed to offset, on the whole, the flood damages to the crop by a fairly good percentage. The West Bengal area was reported, in the preliminary survey of the Agricultural Directorate, as 30,000 acres greater than the corresponding estimate for the preceding year.

August weather conditions were generally favorable, and harvesting and retting operations were normal during the latter weeks. Except for poor quality of the midland crop, especially in Assam, the condition of the crops at harvest was reported as satisfactory.

Consumption of raw jute by mills of the Indian Jute Mills Association was reported at 5.4 million pounds in July-September 1954, compared with 5.0 million in the corresponding quarter of 1953. The mills were working 45 hours a week instead of  $42\frac{1}{2}$  hours as they had been for some time. On October 18, 1954, the hours were further increased to 48. Consumption, therefore, is expected to continue to increase. Some looms have been changed over from hessians to heavy goods. This, also, has increased consumption of raw jute.

Imports of raw jute into India from Pakistan for the season ended June 30, 1954 were 591 million pounds compared with only 530 million in the preceding year, but with 732 million in the year before that. The 1954-55 season has started slowly with arrivals into Calcutta and mill stations at only 78,800 pounds of raw jute imported from Pakistan in July-September, compared with 225,600 pounds in the corresponding quarter of the preceding year. Arrivals of Indian grown jute were 287,200 compared with 318,800 pounds for the respective quarters.

Stocks of jute at Calcutta as of September 30, 1954 were calculated at 282.0 million pounds compared with 475.6 million a year earlier.

Prices held rather steady through the harvest period this year. Rumors of heavy flood damage tended to counteract any depressing affect of the jute price earlier in the season, and delayed deliveries have tended to keep the market firm.

Any early anxiety concerning the extent of the flood damage has been pretty well allayed. There seems now to be little chance of any serious shortage this year. Late deliveries are believed to be caused mostly by the damage of the floods to fields and transportation routes. Current prices are high enough to cause the mills to move cautiously in their buying policies; and purchases are generally being made on a day-to-day basis.

#### WORLD CASTOR BEAN PRODUCTION APPROXIMATES 1953 HARVEST

World production of castor beans in 1954 is believed to have approximated the large harvest of 1953. The preliminary forecast of the Foreign Agricultural Service places total output at 559,000 short tons compared with the revised estimate of about 562,000 tons produced in 1953.

Estimates of production in many countries are not available as yet. The only significant changes from 1953, however, appear to have occurred in Brazil, where production reportedly is up 12 percent, and in the United States, where output has dropped sharply to less than one-third the previous year's crop. No allowance has been made for any change in the volume of output estimated to be produced normally in the Soviet Union and Manchuria.

Roughly 60 to 70 percent of the estimated world production of castor beans originates in Brazil and India. On the basis of reported statistics Brazil is the major producer. However, the estimates reported for India relate in the case of the major reporting states only to the pure crops of castor beans and not to the considerable acreage sown mixed with other crops. Reliable data are not available for this interplanted portion. On the basis of the estimated quantity of castor oil produced, it is believed that total Indian production of castor beans actually may be twice the volume of the reported crop. This quantity of production would place India first as a producer and Brazil second.



CASTOR BEANS: Production in specified countries and the world,  
averages 1935-39 and 1945-49, annual 1950-1954

(Short tons)

| Continent and country                                   | Average    |          | 1950     | 1951      | 1952      | 1953 1/  | 1954 1/ |
|---|------------|----------|----------|-----------|-----------|----------|---------|
|   | 1935-39    | 1945-49  |          |           |           |          |         |
| NORTH AMERICA   |            |          |          |           |           |          |         |
| Mexico.....   | 2,770:     | 3,195:   | 2,790:   | 2,850:    | 2,920:    | 3,860:   | 3,860   |
| United States 2/.....                                   | -:         | -:       | -:       | 10,425:   | 12,300:   | 25,675:  | 7,000   |
| Haiti.....  | 700:       | 2,585:   | 3,640:   | 5,080:    | 4,590:4/  | 3,745:5/ | 2,800   |
| Estimated total 6/.....                                 | 3,705:     | 6,340:   | 7,055:   | 19,110:   | 20,450:   | 34,020:  | 14,330  |
| EUROPE  |            |          |          |           |           |          |         |
| Italy.....  | 3,790:     | 2,930:   | 875:     | 700:      | 620:      | 1,210:   | -       |
| Yugoslavia.....   | 490:3/     | 1,740:   | 1,490:   | 2,200:    | 390:      | -:       | -       |
| Estimated total.....                                    | 4,280:     | 4,670:   | 2,365:   | 2,900:    | 1,010:    | 2,860:   | 1,825   |
| Other Europe, estimated total.....                      | 2,885:     | 1,955:   | 2,240:   | 3,310:    | 2,240:    | 3,320:   | 2,250   |
| All Europe (excl. U.S.S.R.),<br>estimated total 6/..... | 7,165:     | 6,625:   | 4,605:   | 6,210:    | 3,250:    | 6,180:   | 4,075   |
| U.S.S.R. (Europe and Asia).....                         | 117,745:7/ | 55,110:  | -:       | -:        | -:        | -:       | -       |
| ASIA  |            |          |          |           |           |          |         |
| Iran.....   | 180:       | 6,500:   | 8,270:   | 8,270:    | 8,270:    | 8,270:   | -       |
| Manchuria.....  | 26,600:    | -:       | -:       | -:        | -:        | -:       | -       |
| India 9/ 10/.....                                       | 127,456:   | 133,728: | 143,360: | 116,480:  | 117,600:  | 118,720: | 119,840 |
| Indochina.....  | 5,510:3/   | 295:     | -:       | -:        | -:        | -:       | -       |
| Korea 11/.....  | 1,425:3/   | 2,215:   | 1,130:   | 1,300:    | 1,160:    | 1,200:   | -       |
| Pakistan 2/.....  | -:3/       | 300:     | 560:     | -:        | -:        | -:       | -       |
| Thailand.....   | -:3/       | 550:8/   | 8,047:8/ | 14,127:8/ | 19,406:8/ | 19,215:  | -       |
| Estimated total (excl. U.S.S.R.) 6/.....                | 170,780:   | 176,135: | 192,940: | 172,335:  | 178,545:  | 179,565: | 180,500 |

# SOUTH AMERICA

|                         |          |          |           |           |           |          |         |
|-------------------------|----------|----------|-----------|-----------|-----------|----------|---------|
| Argentina.....          | 8,800:   | 3,265:   | 4,935:    | 2,800:    | 1,100:    | 2,190:   | 5,070   |
| Brazil.....             | 147,995: | 207,180: | 202,820:  | 195,430:  | 174,240:  | 177,325: | 199,300 |
| Colombia.....           | 785:12/  | 5,130:   | -         | -         | -         | -        | -       |
| Ecuador.....            | 29:      | 2,800:   | 7,100:    | 8,365:    | 10,900:4/ | 8,296:5/ | 10,500  |
| Paraguay.....           | 3,275:3/ | 1,065:   | 1,100:13/ | 1,340:13/ | 950:13/   | 2,760:   | -       |
| Estimated total 6/..... | 160,885: | 219,690: | 220,155:  | 212,135:  | 191,390:  | 194,770: | 220,070 |

# AFRICA

|                            |          |           |           |           |           |         |        |
|----------------------------|----------|-----------|-----------|-----------|-----------|---------|--------|
| Belgian Congo 14/.....     | 8:3/     | 2,335:    | 2,200:    | 2,800:    | 3,125:    | 1,255:  | -      |
| Tanganyika.....            | 9:       | 945:      | 1,985:    | 4,515:    | 8,100:    | 6,870:  | 7,000  |
| Uganda 15/.....            | -        | -         | 1,570:    | 5,825:    | 13,330:   | 14,560: | -      |
| French West Africa.....    | 1,194:3/ | 2,010:16/ | 1,000:16/ | 900:16/   | 930:8/    | 890:17/ | 737    |
| Madagascar.....            | 3,440:   | 4,370:    | 3,300:    | 2,755:    | 2,755:    | 3,300:  | -      |
| Mozambique.....            | 1,750:3/ | 3,140:14/ | 4,863:14/ | 2,596:14/ | 2,464:    | -       | -      |
| Angola.....                | 4,614:8/ | 5,063:    | 18/ :8/   | 5,178:8/  | 5,768:14/ | 6,279:  | -      |
| Union of South Africa..... | -        | -         | 450:      | 4,000:    | 7,500:    | 20,000: | -      |
| Estimated total 6/.....    | 13,915:  | 28,345:   | 37,965:   | 45,635:   | 57,035:   | 67,255: | 60,495 |

Estimated world total.....: 474,195: 492,245: 527,720: 535,425: 530,670: 561,790: 559,470

1/ Preliminary. 2/ For the years shown, no commercial production other than for seed except in 1951-1954. 3/ Average of less than 5 years. 4/ United States imports of beans. 5/ Estimate based on United States imports January-October. 6/ Includes estimates for the above countries for which data are not available and for minor producing countries. 7/ 1948 only. 8/ Exports of castor beans. 9/ Prior to 1945 figures for India include Pakistan. 10/ Estimates for the pure crop only; reliable data for the interplanted crop not available. 11/ Beginning with 1947 figures are for South Korea only. 12/ 1946 only. 13/ United States imports of beans and oil, bean basis. 14/ Exports of beans and oil, bean basis. 15/ Quantity marketed. 16/ Commercial production. 17/ Bean exports January-August. 18/ Exports amounted to 14,019 tons but represented a carryover from previous crops rather than a larger crop.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attachés and other United States representatives abroad, results of office research, and other information.



Production of the pure crop of castor beans in India in 1954 is reported at 119,840 tons, only slightly larger than the fairly constant outturn of the previous 3 years but 16 percent less than the relatively good crop of 1950. Castor oil production from the 1954 crop has been estimated roughly at around 90,000 tons. This would indicate that total bean production may have been in the neighborhood of 200,000 tons.

India's 1955 castor harvest will begin this month. Acreage was forecast at 1.4 million acres or 2 percent larger than last year's.

Castor bean production in Brazil in 1954 is estimated officially at 199,300 tons, 12 to 14 percent above the crops of the previous 2 years. However, interest in castor culture appears to be declining in Brazil due to dissatisfaction with prices and larger returns from other crops. Exports of beans in recent years have been far below the annual volume of 100,000 to 150,000 tons which Brazil exported 5 years ago.

Following a record harvest of 25,675 tons in 1953, production in the United States dropped sharply in 1954 to probably around 7,000 tons. Area planted to castor beans totaled 36,000 acres, 75 percent less than a year ago and the lowest since the Government inaugurated a program in 1951 to encourage domestic production. About two-thirds of the acreage is dry land largely in Oklahoma and Texas. The remaining one-third is irrigated land--principally in New Mexico and California. The Government's guaranteed minimum price to farmers for castor beans is 6 cents per pound, hulled basis; 3 cents less than a year ago.

Castor output in the minor-producing countries probably was maintained at about the 1953 level. Thailand normally exports around 19,000 tons of beans. On the basis of United States imports during 10 months of 1954, Ecuador's production must have been around 10,000 tons.

The Union of South Africa may be the largest African producer of castor beans. Output increased substantially in 1953 and probably continued large in 1954. Uganda normally markets 12,000 to 14,000 tons while output in Tanganyika is around 7,000 tons. Production in Angola is virtually equivalent to exports of about 6,000 tons.

#### INDONESIA'S COPRA EXPORTS DOWN IN OCTOBER

Indonesia's total exports of copra, including Copra Foundation exports, during October 1954 amounted to 21,213 long tons, a decline of 11 percent from the previous month and 42 percent less than the volume exported in October 1953. Total shipments during January-October amounted to 246,074 tons or 4 percent more than the 236,993 tons exported in the comparable period of 1953.

The breakdown of the October exports by country of destination is as follows: United Kingdom--1,004 tons; Germany--2,000; France--1,000; Hungary--492; Sweden--4,483; Malaya (Penang)--2,729; Singapore--7,242; and Japan--2,263 tons.

# ITALY PERMITS UNLICENSED IMPORTS OF INEDIBLE TALLOW FROM DOLLAR AREA

The Italian Ministry of Foreign Trade has added inedible animal tallow to the list of commodities which can be freely imported from the Dollar Area without Ministerial license, reports Earl S. Fox, Assistant Agricultural Attache, American Embassy, Rome.

However, the liberalization is limited to 6 million dollars. That is, importation is permitted freely through the customs offices of Genoa, Naples, Venice, Bari, Palermo, and Trieste until imports in value reach \$6,000,000. The provision, which is now in effect, terminates upon exhaustion of the allocated sum. As of December 21, there was no indication whether this type of provision will be repeated next year. Imports of inedible tallow into Italy by country of origin are shown in the following table:

ITALY: Imports of inedible animal tallow by country of destination,  
annual 1951-1953 and January-September 1954

(1,000 short tons)

| Country             | 1951   | 1952   | 1953   | Jan.-Sept.<br>1954 |
|---------------------|--------|--------|--------|--------------------|
| United States.....  | 24,598 | 46,825 | 59,842 | 45,921             |
| Australia.....      | 5,018  | 8,120  | 6,943  | 1,541              |
| New Zealand.....    | -      | -      | 11,116 | 2,615              |
| United Kingdom..... | 3,379  | -      | -      | -                  |
| Br. C. America..... | 4,368  | -      | -      | -                  |
| Argentina.....      | 5,213  | -      | -      | -                  |
| Others.....         | 3,162  | 5,220  | 1,814  | 263                |
| Total.....          | 45,738 | 60,165 | 79,715 | 50,340             |

Source: Central Institute of Statistics.

Since 1951, United States exports of inedible animal tallow to Italy have ranged in value from 5.6 to 8.2 million dollars. More recently imports of inedible tallow have averaged in the neighborhood of 6 million dollars which represents approximately 60 to 70 percent of total needs.

## BURMA'S SESAME ACREAGE UP SLIGHTLY

Burma's Office of Settlements and Land Records estimates the planted acreage of sesame, as of November 1, 1954, to be 1,330,000 acres in 1954-55, as compared with 1,320,000 acres on the same date in 1953-54, reports James H. Boulware, Agricultural Attache, American Embassy, Rangoon. However, the final estimate for last year was 1,352,000 acres. Final data are almost invariably higher than those early in the season.



Planting losses, as of November 1, 1954, were estimated to be 393,000 acres against 207,000 in 1953. Drought was the primary reason for the increase in damaged area. The final official production estimate for Burma's 1953-54 sesame crop was 48,940 short tons.

#### COTTON CONSUMPTION IN SPAIN CONTINUES AT HIGH LEVEL

Consumption of cotton by Spanish spinning mills during the 4-month period, August through November 1954, is estimated to have totaled 120,000 bales (of 500 pounds gross weight), according to H. R. Zerbel, American Consulate General, Barcelona.

This high level of consumption was attained despite the interruptions in mill activity caused by restrictions imposed upon the use of electric power. The total adverse effect of electric power restrictions on mill consumption, however, was lessened by mill installations of stand-by generator units, powered generally with motors utilizing diesel fuel. When electricity from the central power system was shut off for two days or more, as was frequently required by regulations, mills merely switched on their stand-by generator units. Small factories without sufficient capital to install generator units, however, were forced to close down during the restriction periods.

It is too early in the season to determine the consumption pattern for the entire season, but a projection of the current rate of mill utilization for the balance of the year would indicate an annual rate of consumption of around 360,000 to 380,000 bales, which is about equal to the peak for postwar years.

Stocks of cotton (excluding that in free-port awaiting customs clearance) in Spain on November 30, 1954, totaled roughly 46,000 bales--less than two months' requirements at the current rate of mill utilization. Because of the large carry-over of cotton from purchases made late in the 1953-54 season, imports in the early months of the 1954-55 season have been light.

Numerous purchases of cotton (60,000 bales or more in November) for delivery in the current year have been made, however, and with a sizable domestic crop of around 80,000 bales harvested late in 1954, it is expected that Spain's cotton supply situation will remain satisfactory. It is reported that Spanish trade sources expect imports from the United States in the current year to again approximate the 200,000-bale level.

Cotton imports by country of origin for August - November, 1954, and comparative data were as follows:

SPAIN: Imports of cotton from major countries of origin;  
annual 1950-1953; August-November 1953 and 1954.

(Bales of 500 pounds gross)

| Country of origin             | Year beginning August 1 |                |                |                | August-November |                |
|-------------------------------|-------------------------|----------------|----------------|----------------|-----------------|----------------|
|                               | 1950                    | 1951           | 1952           | 1953           | 1953            | 1954           |
|                               | 1,000<br>bales          | 1,000<br>bales | 1,000<br>bales | 1,000<br>bales | 1,000<br>bales  | 1,000<br>bales |
| Argentina.....                | 25.7:                   | 3.1:           | 0.9:           | 1.6:           | 0.9:            | 0              |
| Brazil.....                   | 15.3:                   | 9.0:           | 34.0:          | 57.1:          | 2.7:            | 7.8            |
| Egypt.....                    | 48.4:                   | 56.3:          | 77.4:          | 59.3:          | 21.3:           | 18.0           |
| India & Pakistan....          | 54.6:                   | 20.3:          | 36.0:          | 14.7:          | 6.0:            | 0              |
| Iran.....                     | 8.0:                    | .9:            | 5.3:           | 7.6:           | 3.0:            | 0              |
| Syria.....                    | .1:                     | 5.7:           | 6.3:           | 4.2:           | 2.2:            | 0              |
| Turkey.....                   | 6.7:                    | 1/             | 1.8:           | 2.1:           | .3:             | 0              |
| United States <u>2</u> /..... | 79.0:                   | 186.0:         | 138.0:         | 198.1:         | 53.9:           | 7.8            |
| Other countries.....          | 3.2:                    | 3/ 104.7:      | 6.7:           | 2.9:           | 1.1:            | 0              |
| Total.....                    | 241.0:                  | 335.0:         | 306.4:         | 347.6:         | 91.4:           | 33.6           |

1/ Less than 50 bales. 2/ Includes Mexican cotton except in 1951-52.

3/ Mexico 101,000 bales.

Compiled from reports of Agricultural Attaches and other United States representatives abroad.

#### NIGERIA REDUCES PRODUCER PRICES OF PALM PRODUCTS

Prices to be paid Nigerian producers for palm products during the 1955 marketing year are lower than in 1954, according to Elbert R. Williams, American Consul, Lagos. The 1955 prices which were officially released December 22, 1954, together with those since 1950 are shown in the accompanying table.

The policy of maintaining a price differential in favor of low-acid edible grade palm oil is given special emphasis by the division of Special Grade oil into Grades A and B. Grade A includes palm oil of not more than  $3\frac{1}{2}$  percent free fatty acid content. Grade B includes oil of over  $3\frac{1}{2}$  percent FFA but not more than  $4\frac{1}{2}$  percent FFA; this being the upper limit of acid content for the previous Special Grade originally established in 1950. Western Region prices of Special Grade oil will be announced soon and it is reported there has been an agreement that the prices would closely approximate those announced for the Eastern Region.



NIGERIA: Palm kernels and palm oil basic prices established by the Nigerian Oil Palm Produce Marketing Board, marketing seasons 1950-51 through 1954-55  
(Dollars  $\frac{1}{2}$  per short ton)

| Commodity            | Description                                     | 1950 | 1951          | 1952          | 1953          | 1954           | 1955          |               |
|----------------------|---|------|---------------|---------------|---------------|----------------|---------------|---------------|
|                      |   |      |               |               |               |                | Eastern       | Western       |
|                      |   |      |               |               |               |                | Region        | Region        |
| Palm Oil: 2/.....    | Free fatty acid content                         |      |               |               |               |                |               |               |
| Grades               |   |      |               |               |               |                |               |               |
| Special A.....       | not over $3\frac{1}{2}\%$                       | -    | -             | -             | -             | -              | $\frac{3}{2}$ | 145           |
| Special B.....       | over $3\frac{1}{2}\%$ not over $4\frac{1}{2}\%$ | -    | -             | -             | -             | -              | $\frac{3}{2}$ | 120           |
| Technical 1.....     | over $4\frac{1}{2}\%$ not over $9\%$            | 107  | 138           | 152           | 145           | 125            | 112           | 95            |
| 2.....               | over $9\%$ not over $18\%$                      | 93   | 108           | 118           | 112           | 95             | 95            | 70            |
| 3.4/.                | over $18\%$ not over $27\%$                     | 83   | 85            | 88            | 86            | 82             | 75            | 50            |
| 4.....               | over $27\%$ not over $36\%$                     | 74   | 75            | 75            | $\frac{5}{2}$ | $\frac{5}{2}$  | $\frac{5}{2}$ | $\frac{5}{2}$ |
| 5.....               | over $36\%$                                     | 65   | $\frac{5}{2}$ | $\frac{5}{2}$ | $\frac{5}{2}$ | $\frac{5}{2}$  | $\frac{5}{2}$ | $\frac{5}{2}$ |
| Palm kernels: 6/.... |   | 65   | 80            | 90            | 85            | $\frac{7}{85}$ | 78            | 75            |

1/ Conversion rate - one British West African pound = U.S. \$2.80. 2/ Prior to 1955 there was only one grade of Special grade palm oil. 3/ Prices to be announced later. 4/ The upper limit of grade 3 was raised to 30% FFA at the beginning of the 1953 season. 5/ Purchases discontinued. 6/ Naked ex-scale port of shipment/bulk oil plant. 7/ Subject to a Produce Sales Tax deduction of \$2.50 per ton.

Source: Annual reports of the Nigerian Oil Palm Produce Marketing Board and reports from the American Consulate General, Lagos.

Several reasons have been given for the program to increase export production of lower acid palm oil. Export market prices for Technical Grades (non-edible) palm oil has decreased during the last several years due to ready availability of tallow at competitive prices and to increased competition of synthetic detergents on the soap market. The establishment of the Special Grade A is in response to competitive supply of low acid palm oil for edible uses by other exporting countries. It is also reported that this may result in fuller realization of the market value of the highest grade palm oil produced in Nigeria. Most of this low acid oil has been used in blending to up-grade other oil.

The progressive reduction in prices of Nigerian palm products since 1952; has been accompanied by increased taxation. In 1953, producers' sales tax of \$2.50 per short ton on palm oil and palm kernels was established in the Western Region. This is deducted from the price paid the producer and paid to the Regional Government by the Marketing Board. The Eastern Region House of Assembly recently imposed purchase taxes of \$10.00 per short ton on palm oil and \$5.00 per short ton on palm kernels. These taxes will be paid by the Marketing Board and will not directly reduce prices paid to producers as does the producer sales tax. However, these taxes will reduce the net income of the Eastern Regional Marketing Board. The announced 1955 prices to producers in the Eastern Region are, in all cases, reduced from the 1954 levels by an amount greater than the new purchase taxes. These price levels, especially in the case of palm kernels, are said to closely approximate the expected export market price.

#### TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Egypt Sets up Account to Meet Unfavorable Ceylonese Trade Balance: Trade and payments agreements have been signed between Egypt and Ceylon. Various agricultural commodities are listed in addition to those which constitute most of the trade between the two countries, i.e., Ceylonese tea and Egyptian phosphate, onions, and potatoes. This trade has been very unbalanced, with tea exports to Egypt far exceeding the latter's exports to Ceylon. A Rupee 20 million, about \$4.2 million, account or credit is being established in Cairo by Ceylon. Egyptian exports to third countries may be settled through this account and their value used in calculating the value of Egyptian exports to Ceylon.

Indo-Iraq Trade Agreement Extended: The Indo-Iraq trade agreement will continue in effect through December 31, 1955 in accordance with an agreement finalized between the two governments on December 22, 1954. Exports from Iraq to India under the agreement include dates, cotton, foodgrains, gallnuts, live animals, and light-weight hides and skins. Indian exports to Iraq include food and agricultural products, lumber, minerals, and ores, and numerous manufactured products. In recent years trade between the two countries has been about in balance and has averaged around \$5 million to \$6 million each way. Dates make up more than 90 percent of India's imports from Iraq, while exports to Iraq consist largely of non-agricultural items.



Turkey's Rapid Development Causing Trade Problems: Turkey is experiencing great difficulty in supplying its new industrial plants with essential imports of spare parts, machinery, and raw materials needed in their operations and in balancing its international payments because of the lack of goods to sell abroad. This year, the failure of the wheat crop in Central Anatolia has seriously reduced exports, yet domestic inflation continues to expand the desire for foreign goods with which to operate both industrially and agriculturally. In an attempted remedy, the Turkish Government is working out a system of import priorities, giving first place to spare parts. It has also taken steps to curb domestic credit expansion. However, the Government does not feel free to reduce the rising purchasing power of the farmers, who are operating largely free from taxes with unusual subsidies. The country is short of needed machinery and other import goods it wishes to purchase. This is expected further to stimulate the payments imbalance and force the country to continue to encourage greater production of agricultural crops to export abroad.

Malayan Exports Reduced by Flood: Floods in Singapore and the Federation of Malaya caused heavy damage, particularly to the vegetable crops in the former, which were virtually destroyed, and to pineapple plantings in the Federation. Shipping activities came to a halt for several days in the Singapore harbor. Curtailed rubber tapping in Malaya was expected to result in a drop in total rubber production during December.

#### SECOND FORECAST CONFIRMS LARGE WORLD BARLEY AND OATS CROPS

World production of barley and oats in 1954-55 is now estimated at 137.4 million short tons, according to information available to the Foreign Agricultural Service. This compares with 133.9 million tons in 1953 and the 1945-49 average of 114.9 million. Although the current estimate is slightly less than the first forecast published in Foreign Crops and Markets, October 11, 1954, this would still be one of the largest outturns recorded for these grains. The net reduction from the earlier estimate was in oats, with the bulk of the reduction in North America.

World production of barley, placed at 2,825 million bushels, is only slightly above the 1953 crop but is 30 percent above the 1945-49 average. Production of oats is estimated at 4,350 million bushels, which is 5 percent larger than in 1953 and 11 percent more than the 1945-49 average. World production of these crops is about evenly divided on a tonnage basis, with barley accounting for 49 percent and oats 51 percent of the estimated world total.

In North America estimates for both barley and oats were reduced from the level of earlier forecasts. Production of both grains is still, however, somewhat larger than in 1953 and well above average. Barley production for the continent is now estimated at 554 million bushels, compared with 512 million in 1953 and the 1945-49 average of 424 million bushels. A substantial increase over the 1953 crop in the United States more than offset the reduction in Canada's outturn.

The increase in the United States is mainly due to the large acreage increase, with yields only slightly above the large yields of 1953. Yields in Canada, in contrast, averaged only 22.4 bushels per acre, compared with 29.4 bushels last year.

Production of oats in North America is estimated at 1,816 million bushels, compared with 1,620 million a year ago. The current estimate is also well above average. The near-record production in the United States offset the small harvest in Canada. The United States production of 1,500 million bushels have been exceeded only once, in 1945. The current crop is about 290 million bushels above the 1953 production. That substantial increase is due to increased acreage and sharply higher yields

European production of barley and oats is smaller than in 1953 as a result of reduced acreage and smaller yields. The barley crop is estimated at 825 million bushels, slightly below the large 1953 outturn but sharply above average. Considerably expanded barley acreage in recent years, especially in France and the United Kingdom, accounts for a good part of the gain over the average periods. Production of oats in Europe, estimated at 1,355 million bushels, is down 90 million bushels from the 1953 harvest. Reduced acreage is responsible for a good part of the decrease, with the area of 29.5 million acres the smallest of any recent year. Reductions in acreages seeded to oats have been widespread in Eastern as well as Western Europe.

Low production of feedgrains in the Soviet Union apparently resulted from drought. Damage appears to have been especially serious in the important producing Ukraine, the Volga basin, and some other regions.

In Asia, production of barley and oats is estimated to be moderately below the 1953 outturn, principally because of reduced crops in Turkey. The total of 837 million bushels of barley compares with an estimated 870 million bushels in 1953. This is still well above average since acreage has been expanded considerably in recent years. The 1954 crop of oats is estimated at 107 million bushels, compared with 113 million in 1953 and the 1945-49 average of 84 million. As was the case for barley, the acreage under oats shows a substantial increase in recent years.

Barley production in Africa is estimated at 156 million bushels, approximating the 1953 production and about 46 percent above the 1945-49 average. Increased acreage and better yields than in that average period account for the comparatively high level of 1953 and 1954. The crop of oats in Africa, estimated at 23 million bushels, shows no significant change from the 1953 harvest, which was an average crop.



BARLEY: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1952-54 1/

| Continent and country                  | Acreage 2/  |             |             | Yield per acre 3/ |             |             | Production    |               |               |
|--|-------------|-------------|-------------|-------------------|-------------|-------------|---------------|---------------|---------------|
|  | Average     |             |             | Average           |             |             | Average       |               |               |
|  | 1935-39     | 1945-49     | 1952        | 1935-39           | 1945-49     | 1952        | 1935-39       | 1945-49       | 1952          |
|  | 1,000 acres | 1,000 acres | 1,000 acres | 1,000 acres       | 1,000 acres | 1,000 acres | 1,000 bushels | 1,000 bushels | 1,000 bushels |
| <b>NORTH AMERICA</b>                   |             |             |             |                   |             |             |               |               |               |
| Canada .....                           | 4,291       | 6,717       | 8,477       | 8,911             | 7,856       | 20.7        | 21.5          | 34.4          | 29.4          |
| Mexico .....                           | 374         | 457         | 571         | 585               | 575         | 13.2        | 13.2          | 13.0          | 13.0          |
| United States .....                    | 10,817      | 10,713      | 8,244       | 8,586             | 12,994      | 22.1        | 25.5          | 27.4          | 28.2          |
| Estimated total 5/ .....               | 15,480      | 17,890      | 17,290      | 18,080            | 21,430      | -           | -             | -             | -             |
| <b>EUROPE</b>                          |             |             |             |                   |             |             |               |               |               |
| Austria .....                          | 401         | 293         | 371         | 373               | 373         | 32.6        | 24.3          | 33.7          | 40.3          |
| Belgium 5/ .....                       | 74          | 198         | 222         | 228               | 185         | 48.2        | 47.4          | 56.4          | 58.6          |
| Denmark .....                          | 946         | 1,079       | 1,401       | 1,537             | 1,495       | 55.9        | 59.6          | 69.8          | 65.2          |
| Finland .....                          | 280         | 346         | 380         | 440               | 435         | 28.2        | 24.6          | 28.4          | 34.1          |
| France .....                           | 1,897       | 2,019       | 2,656       | 2,973             | 3,069       | 27.9        | 26.0          | 29.9          | 34.6          |
| Western Germany .....                  | 2,005       | 1,288       | 1,747       | 1,947             | 1,812       | 39.4        | 34.0          | 46.2          | 48.9          |
| Greece .....                           | 525         | 453         | 531         | 530               | 516         | 17.8        | 16.2          | 18.5          | 22.4          |
| Ireland .....                          | 118         | 147         | 225         | 188               | 163         | 45.9        | 45.8          | 51.6          | 55.9          |
| Italy .....                            | 475         | 603         | 626         | 615               | 615         | 20.9        | 15.7          | 19.6          | 23.3          |
| Netherlands .....                      | 107         | 139         | 172         | 255               | 156         | 55.5        | 51.4          | 64.0          | 56.3          |
| Norway .....                           | 143         | 99          | 158         | 201               | 235         | 38.2        | 40.5          | 43.0          | 47.3          |
| Portugal .....                         | 320         | 322         | 387         | 392               | 397         | 12.8        | 11.9          | 14.2          | 14.0          |
| Spain .....                            | 4,549       | 3,979       | 3,954       | 3,964             | 3,980       | 21.3        | 21.0          | 25.9          | 18.4          |
| Sweden .....                           | 252         | 226         | 377         | 471               | 414         | 39.5        | 36.5          | 40.1          | 46.1          |
| Switzerland .....                      | 13          | 66          | 59          | 61                | 59          | 33.1        | 41.6          | 47.8          | 47.7          |
| United Kingdom .....                   | 934         | 2,120       | 2,281       | 2,226             | 2,054       | 39.2        | 43.3          | 47.8          | 52.9          |
| Yugoslavia .....                       | 1,045       | -           | -           | -                 | -           | 18.0        | -             | -             | -             |
| Estimated total 5/ .....               | 14,100      | 14,370      | 16,560      | 17,440            | 16,960      | -           | -             | -             | -             |
| Other Europe, estimated total 2/ ..... | 9,210       | 7,830       | 8,420       | 8,230             | 8,250       | -           | -             | -             | -             |
| All Europe, estimated total 5/ .....   | 23,310      | 22,200      | 24,980      | 25,670            | 25,210      | -           | -             | -             | -             |
| U.S.S.R. (Europe & Asia) .....         | 26,600      | 19,800      | -           | -                 | -           | 16.0        | 13.7          | -             | -             |

[illegible]

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow: thus, the crop harvested in the Northern Hemisphere in 1954 is combined with preliminary forecasts for the Southern Hemisphere harvests which begin late in 1954 and early in 1955. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Revised estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production, are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Data for individual years shown are not strictly comparable with averages shown, since recent estimates exclude data for farms of less than 2.5 acres. 7/ Average of less than 5 years. 8/ Figure for 1953 only. 9/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland, and Rumania. 10/ Estimates for Syria and Lebanon not shown separately during this period. 11/ Figures shown during this period are not strictly comparable since figures for 1952-1954 include allowances for non-reporting areas, which were not included with earlier figures shown, but were included in estimated total for Asia.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.





|                          |         |         |         |         |         |         |         |         |         |           |           |           |           |           |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|
| <b>ASIA</b>              |         |         |         |         |         |         |         |         |         |           |           |           |           |           |
| Syria                    | 24      | 22      | 11/     | 27.6    | 26.1    | 31.7    | 36.1    | 25.4    | 11/     | 662       | 574       | 27,900    | 28,450    | 20,670    |
| Turkey                   | 636     | 642     | 85      | 26.6    | 21.8    | 21.7    | 23.3    | 50.4    | 8/      | 16,893    | 14,000    | 56,000    | 56,000    | 11,230    |
| China                    | 2,365   | 2,400   | 215     | 23.1    | 21.7    | 23.3    | 46.8    | 50.4    | 8/      | 60,000    | 51,335    | 91,500    | 10,060    | 11,230    |
| Japan                    | 310     | 227     | 203     | 37.0    | 28.3    | 46.8    | 46.8    | 50.4    | 8/      | 11,481    | 11,481    | 9,500     | 10,060    | 11,230    |
| Korea                    | 242     | 227     | 203     | 11.2    | 11.2    | 11.2    | 11.2    | 50.4    | 8/      | 2,718     | 2,718     | 2,718     | 2,718     | 2,718     |
| Estimated total 5/       | 4,010   | 3,930   | 4,480   | 4,600   | 4,600   | 4,600   | 4,600   | 4,600   | 4,600   | 96,000    | 84,000    | 111,000   | 113,000   | 107,000   |
| <b>AFRICA</b>            |         |         |         |         |         |         |         |         |         |           |           |           |           |           |
| Algeria                  | 465     | 420     | 445     | 445     | 445     | 445     | 445     | 18.7    | 18.7    | 10,859    | 7,694     | 9,810     | 8,000     | 8,300     |
| French Morocco           | 104     | 95      | 141     | 140     | 140     | 140     | 140     | 33.3    | 33.3    | 2,751     | 2,376     | 4,230     | 4,500     | 4,750     |
| Tunisia                  | 84      | 70      | 52      | 57      | 57      | 57      | 57      | 13.9    | 13.9    | 1,674     | 958       | 830       | 790       | 790       |
| Union of South Africa    | 544     | 756     | 1,360   | 1,380   | 1,380   | 1,380   | 1,380   | 18.0    | 18.0    | 6,966     | 8,415     | 20,000    | 22,000    | 23,000    |
| Estimated total 5/       | 1,220   | 1,370   | 1,360   | 1,380   | 1,380   | 1,380   | 1,380   | 18.0    | 18.0    | 23,000    | 20,000    | 24,000    | 22,000    | 23,000    |
| <b>SOUTH AMERICA</b>     |         |         |         |         |         |         |         |         |         |           |           |           |           |           |
| Argentina                | 1,974   | 1,709   | 2,380   | 2,450   | 2,450   | 2,450   | 2,450   | 37.9    | 37.9    | 50,182    | 47,782    | 87,450    | 68,270    | 75,000    |
| Chile                    | 279     | 216     | 247     | 245     | 245     | 245     | 245     | 26.2    | 26.2    | 7,670     | 5,310     | 7,300     | 6,550     | 7,300     |
| Uruguay                  | 213     | 172     | 145     | 145     | 145     | 145     | 145     | 22.3    | 22.3    | 3,100     | 2,840     | 2,700     | 4,120     | 4,120     |
| Estimated total 5/       | 2,460   | 2,130   | 2,820   | 2,820   | 2,820   | 2,820   | 2,820   | 22.3    | 22.3    | 62,000    | 57,000    | 98,000    | 80,000    | 85,000    |
| <b>OCEANIA</b>           |         |         |         |         |         |         |         |         |         |           |           |           |           |           |
| Australia                | 1,593   | 1,860   | 2,764   | 2,845   | 2,845   | 2,845   | 2,845   | 20.3    | 20.3    | 23,351    | 33,249    | 54,530    | 43,750    | 35,000    |
| New Zealand              | 63      | 61      | 50      | 50      | 50      | 50      | 50      | 56.2    | 56.2    | 3,539     | 3,669     | 2,880     | 1,181     | 1,181     |
| Total                    | 1,656   | 1,921   | 2,814   | 2,895   | 2,895   | 2,895   | 2,895   | 56.2    | 56.2    | 26,890    | 36,918    | 57,410    | 44,931    | 37,200    |
| Estimated world total 5/ | 144,010 | 129,010 | 139,620 | 133,860 | 133,860 | 133,860 | 133,860 | 133,860 | 133,860 | 4,365,000 | 3,931,000 | 4,400,000 | 4,150,000 | 4,350,000 |

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow: thus, the crop harvested in the Northern Hemisphere in 1954 is combined with preliminary forecasts for the Southern Hemisphere harvests which begin late in 1954 and end early in 1955. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Production and yield reported in bushels of 34 pounds. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Data for individual years shown are not strictly comparable with averages shown, since recent estimates exclude data for farms of less than 2.5 acres. 8/ Average of less than 5 years. 9/ Figure for 1935 only. 10/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland, and Rumania. 11/ Includes estimate for Lebanon, and is, therefore, not strictly comparable with estimates shown for later years.

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Present information on South America, where the harvest has just been completed points to a better-than-average crop of both barley and oats. Barley production is tentatively set at 70 million bushels, compared with 68 million a year ago and 53 million, the average for 1945-49. Acreage is well above that average and yields are reported to be larger. No official estimates are yet available for Argentina, the ranking producer of the area, but private estimates indicate that the barley crop may be about 45 million bushels. That compares with 41 million a year ago and the 1945-49 average of 36 million bushels. It is still, however, somewhat below the record production of 54 million bushels in 1952-53.

Production of oats in South America is now estimated at 85 million bushels. That compares with 80 million bushels a year ago and the 1945-49 average of 57 million. The gain over the average period is attributed to expanded acreage and higher yields. Argentina's crop is about 75 million bushels, according to private estimates. This is the only producer of real significance in the area.

Production of these crops in Australia is considerably smaller than the good 1953-54 harvest. The barley crop will be about 30 million bushels, well below the record crop of 45 million bushels a year earlier. This is, however, about double the average produced during 1945-49. Production of oats is estimated at 35 million bushels, well below the harvests of the past 2 years despite a slight increase in acreage. Adverse weather conditions and heavy grazing of the growing crop account for the decline.

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This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other United States representatives abroad.

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